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VOICE OF THE ELECTRIC UTILITY INDUSTRY

Hostile takeover hits Kansas

Mergers turn tough in electric utility industry

Mark T. Hoske
News Editor

WICHITA, KS—Kansas Gas & Electric Co. urged stockholders not to accept the unsolicited $857-million cash tender hostile offer by Kansas City Power & Light Co.

KG&E said in a statement that the offer doesn't reflect values inherent in the company and that such an acquisition "could have significantly adverse effect on the company's employees, customers and the communities it serves."

KCP&L maintains the price is fair.

The July 23 offer had an expiration date of Aug. 20, although KCP&L said an extension was possible. The companies had talked of a merger over the past two years and previously discussed the possibility as early as 1983.

The offer represented a 37-percent premium over the market price of KG&E common stock on July 20, 1990, the last trading day prior to the commencement of the offer.

News analysis

KG&E directors evaluated the offer, then unanimously urged that shareholders reject it, saying $27 a share was inadequate. KG&E used investment bankers Morgan Stanley and Co. and the law firm of Reid & Priest to help with the evaluation.

The utilities share service territory borders in Southeastern Kansas. They also jointly own 94 percent of the 1150-MW Wolf Creek nuclear plant, which produced more electricity than any other U.S. plant in 1989.

Hostile actions are new to industry

Although electric utility merger discussion activity has stepped up in the past few years, those activities previously have been held agreeably between utility top management. PacifiCorp's four unsolicited offers to Arizona Public Service management seemed a big step away from friendly negotiations. Now, KCP&L's hostile offer directly to shareholders is an unprecedented change in recent electric utility history. (See an outline of major merger activity below.)

Even if KCP&L's unsolicited offer doesn't succeed, the offer is another sign that the competitive edge is cut-

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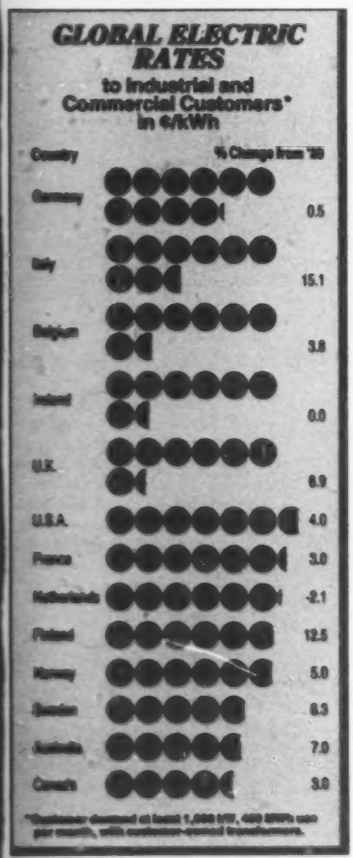


LATE NEWS

KCP&L extended its tender offer until Sept. 14. By Aug. 20, it had 43% of KG&E shares. KG&E called the takeover attempt illegal.

Consumers Power Co. and PSI Energy Inc. plan a $105-million 345-kV link, due in Dec.'92.

The NRC is investigating its decision to license Seabrook (now at full power) based on charges that evacuation plans are inadequate.

Commonwealth Edison employees and their union made a fund for Chicago West Side customers who suffered losses from two fire-related outages (below). ComEd will match employee donations.

Long Island Lighting and Public Service Electric & Gas helped Con Ed restore service to 38-square blocks—1565 customers. Full restoration took a week. Seaport may take a year to rebuild (below).

Rotating blackouts that hit Baltimore and DC are a 20-year first

WASHINGTON—High demand, low margins, extended nuclear unit outages, and sudden outages at other plants all contributed to mandated rotating blackouts for 280,000 customers of Baltimore Gas & Electric Co. and Potomac Electric Power Co. on July 5.

These controlled interruptions of service were the first at those utilities in about 20 years. But with slow supply growth, steady demand growth, dwindling capacity margins and constricted transmission capability, this could be a precursor of more to come for Northeastern utilities in the 1990s.

The high temperatures were 100° F in Washington and 104° in Baltimore.

Continued on page 15

ComEd substation fires, outages, lead to investigations

CHICAGO—Commonwealth Edison Co. incurred the wrath of customers, local officials and media, and provoked legislation and four investigations after two substation fires a week apart disrupted service to customers on the West side of Chicago.

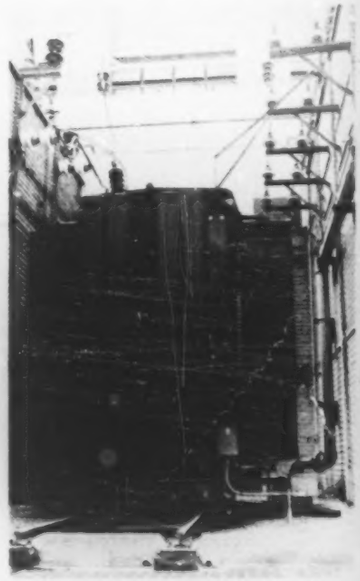
The July 28 blaze at a substation near the company's Crawford generating plant left 40,000 customers without power for as long as three days.

In an effort to restore service as soon as possible, ComEd delayed replacing electronic controls at Crawford that might have limited damage from a second transformer fire, Aug. 5, at the nearby Columbus Park substation, said Bill Downey, corporate operating manager.

The second fire destroyed a transformer and left 25,000 customers without power for 7.5 hours in the same area affected by the first fire. No cost estimates of damages were available.

Although some of the power that

Continued on page 12



Signs of fire show on the outside of a single-phase 20-MVA 69/12-kV transformer adjacent to Commonwealth Edison's Crawford Station Generating Plant. That July 28 fire caused outages for 40,000 customers on Chicago's West Side—some for more than three days. An Aug. 5 fire at nearby Columbus Park substation disrupted service to 25,000 in the same area.

Consolidated Edison substation blaze darkens NYC skyscrapers, halts trade

NEW YORK—A Consolidated Edison Co. Seaport substation fire on Aug. 13 blacked out about 50 square blocks of Lower Manhattan, including some financial trading centers. Fire damage was estimated at $25 million.

Customers started losing power at 12:35 p.m. As many as 4000 customers were affected (some skyscrapers are considered to be a single customer.) By 5 p.m., 1565 customers on the Seaport network were left without power (815 commercial and 750 residential—about 2500 residential units).

A Con Ed spokesperson expected some of the 1565 customers would have power by Aug. 16, and the rest by Aug. 19.

ews planned to split network grid among acent ones. Con Ed ought in portable erators for critical- e facilities, provided dry ice for customers and established a portable office near the site.

Despite some built-in fire extinguishing equipment, the unstaffed substation sustained "extensive damage." Second-story equipment, controls, buses and switchgear for 13 feeders on the network were "effectively destroyed," explained Con Ed's Dan Walden. Five 138/38-kV step-down transformers at the station were thought to be undamaged. The substation will be rebuilt.

Con Ed is investigating the fire's cause; circuit breakers were suspected. The four-alarm blaze took more than 100 firefighters four hours to put out; 28 needed medical care.

Because of the fire, buildings lost air conditioning, thousands of office workers walked down skyscraper stairs, some in elevators were trapped, hospitals used standby power, and several subway lines lost power for five hours. The trade centers reopened Aug. 14.

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News Briefs

JILL MINNER, Special Projects Editor

FERC sets new ROR

The Federal Energy Regulatory recently set its quarterly benchmark rate of return on common equity for electric utilities at 12.06 percent. FERC said the rate applies to rate filings made by jurisdictional electric utilities between Aug. 1 and Oct. 31, 1990.

Filing requirements for IPPs proposed by SCC

The State Corporation Commission of Virginia said it is seeking comments on filing requirements it has proposed for independent power producers (IPPs). The proposal would require the IPP applicant to provide certain information, including: identification of the applicant and its organizational structure; information about the site and its acquisition; expected financing; and financial information about the applicant. The SCC would also require the utility purchasing the power to supply additional information about the need for the power and a cost/benefit analyses of supply alternatives. The utility would also need to demonstrate that with the IPP, its resource plans are reasonably calculated to promote the maximum effective use of energy and capital resources. "It is important to consider and formulate the standards and requirements which should be imposed on IPPs as new participants in the electric industry," the SCC stated. "Standards will not only assist the commission in our determination of whether to grant a certificate of public convenience and necessity and approve a proposed project, but will also provide IPPs and utilities an outline of the requisite information that must be included in an IPP certificate request." Comments on the requirements (case no. PUE 900044) are due by Sept. 28, 1990. Contact the Clerk of the Commission, c/o Document Control Center, P.O. Box 2118, Richmond, VA, 23216.

San Onofre-3 back up

Southern California Edison Co. reported that unit 3 of its San Onofre Nuclear Generating Station has been returned to service following completion of scheduled refueling. The 1100-MW unit was taken out of service April 14, SCE said.

NARUC issues survey; new directory available

A survey of what state commissions are doing to incorporate environmental externalities into the regulation of electric utilities, has been released by the National Association of Regulatory Utility Commissioners. The survey, conducted by Lawrence Berkeley Laboratory, found that 17 of the 50 commissions that responded have adopted explicit rules pertaining to environmental externalities. Also, most require electric utilities to consider environmental externalities in their resource planning and/or acquisition processes, NARUC said. Copies of *Environmental Externalities: A Survey of State Commission Actions* are available for $17 each from NARUC, P.O. Box 684, Washington, DC, 20044.

Also available from NARUC is its updated, pocket-sized directory of members, committees, officers and staff. The booklet contains a full list of names, addresses and telephone numbers of all officials serving on federal and state regulatory commissions within NARUC's membership, and lists the members of NARUC's executive committees and staff subcommittees. Copies of the directory may be obtained for $6.50 from NARUC.

PP&L to market energy conservation program

Pacific Power & Light Co. received approval from the Oregon Public Utility Commission to market a new energy conservation program to its commercial customers. The commission explained that while PP&L provides energy conservation services, the customer, over time, will pay an amount that fully compensates PP&L for its costs with respect to program expenses and lost revenues due to conservation, so that non-participating customers' rates will not be affected. PP&L hopes the program will increase market penetration of new energy efficiency technologies by giving the utility a profit incentive to promote conservation, according to the PUC. "PP&L's imaginative and resourceful approach is consistent with efforts of regulators throughout the United States to ensure that a utility's least-cost plan for consumers is also its most profitable course of conduct," said PUC Chairman Mike Katz.

CV proposes energy-efficiency programs

Central Vermont Public Service Corp. said it is seeking approval from the Vermont Public Service Board for a comprehensive package of energy-efficiency programs. According to the utility, the package, which includes financial incentives for customer participation and a comprehensive dairy farm program, is intended for existing residential, commercial and industrial customers, as well as new construction.

"We will offer our customers discounts and cash rebates through our new energy-efficiency programs. These programs also have the potential to save up to 40 MW of power," stated Patricia Wakefield, Central Vermont vice president of marketing/customer services. "CV's proposal will allow those benefiting from changing fuels to pay the cost of the conversion from the savings they will realize, rather than charging all our customers to pay for the programs through increased rates," she added.

In addition to the energy-efficiency programs, Central Vermont said it is planning to implement a solar water heating research program. The program is designed to evaluate both current technology and the use of solar water heating in conjunction with the company's existing off-peak electric water heating service.

NSP reorganizes

Northern States Power Co. recently announced a reorganization of its executive staff and the formation of a new unit. As part of the reorganization, Edwin Theisen, previously president and chief executive officer of NSP-Wisconsin, will now serve as president and chief operating officer responsible for NSP's three business units. Roland Jensen was appointed president of NSP Enterprises, a new unit that will expand upon the utility's existing subsidiaries, NRG Energy, Graystone, NORENCO and the refuse derived fuel processing business. "These changes ...ensure the continuance of our primary goal of providing low-cost, high-quality electric and gas service. It also allows us to focus on the growth and continuity of our company," said NSP Chairman and CEO James Howard.

Edwin Theisen

Roland Jensen

APPA names president

Timothy C. Morawski has been chosen to serve as president of the American Public Power Association for a one-year term. Morawski, general manager of the Holland (MI) Board of Public Works, has served on the APPA Board of Directors since 1983. Others named to one-year terms include: Randall Hardy, president-elect; Robert E. Nelson, vice president; C.M. Perkins, treasurer.

Ohanian to head ANS

The American Nuclear Society has announced the appointment of M.J. "Jack" Ohanian as president. Ohanian, Professor of Nuclear Engineering Sciences at the University of Florida, previously served as vice president/president-elect for ANS. He recently completed a two-year term on the U.S. Secretary of Energy's Advisory Committee on Nuclear Facility Safety, according to ANS.

SERI appoints director

Duane Sunderman, executive vice president and director of Kansas City Operations for Midwest Research Institute, was named director of the Solar Energy Research Institute. "This is an exciting time to be at SERI because of the renewed national attention to the dual problems of energy supply and environmental protection. It is a real honor for me to have the opportunity to work with a world class technical staff at a premier research laboratory at this particular time. I am looking forward to the challenge," Sunderman said.

Utilities fined by NRC

The U.S. Nuclear Regulatory Commission recently proposed the following fines:

Georgia Power Co.

A $50,000 civil penalty for an alleged violation of NRC security requirements at the Vogtle nuclear power plant. The NRC said a plant employee found a storage cabinet containing safeguards information material unsecured.

Northeast Nuclear Energy

A $25,000 fine for failure to promptly identify and correct adverse conditions at its Millstone Unit 1. As a result, the NRC said that the unit operated for extended periods of time while not complying with certain requirements specified in the technical specifications to its operating license.

Also, a $50,000 fine for not meeting the requirements for dewatering a cask containing contaminated solid waste sent from Millstone-1 for disposal.

Philadelphia Electric Co.

A $75,000 fine for allegedly operating Units 2 and 3 of its Peach Bottom atomic power station under adverse conditions. The violations involve the emergency service water system, according to the NRC.

IP to pay NRC fine

Illinois Power Co. said it will pay a $25,000 fine proposed by the Nuclear Regulatory Commission. The utility was fined for an operations error that occurred at its Clinton Power Station earlier this year, according to Illinois Power. NRC Regional Administrator A. Bert Davis said that the fine was reduced by 50 percent because, "once the violations for failure to carry out a proper control rod withdrawal procedure were brought to the attention of senior management, prompt and extensive corrective action was taken."

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COMMENTARY

Right or convenience: electricity viewed in new light

Recent substation fires, and subsequent blackouts suffered by Commonwealth Edison (p. 1), have elicited violent criticism of the utility by customers and consumer advocates from the area affected on Chicago's West Side. These were not gripes that followed natural-event outages from snowstorms, hurricanes or earthquakes. They weren't complaints of inconvenience.

No, these were the shouts and threats of angry people who felt they had been deprived of an essential part of their lives. With support from local politicians, welfare and consumer leaders, they charged the utility with mismanagement, faulty operations and poor maintenance practices. They demanded not just restoration of service, but compensation for contingent losses and for the service that Commonwealth Edison *did not* provide.

This, it seems to us, marks a very fundamental change in attitude...in fact a crucial change in the relationship of the utility and its customers. These angry Commonwealth Edison customers aren't looking at electric service as a convenience that they *may* purchase. Telephone and TV cable service are conveniences that may or may not be used, at the discretion of the customer. They aren't *necessary*.

But electricity is different. Electricity is vital, imperative, essential. In some areas hit by the resultant blackout, street safety is dependent on electricity. Foods can't be refrigerated or frozen without it. And in many of the neighborhoods of the blacked-out area, the only way residents can suffer through summer's overpowering heat is with electric fans and air conditioners.

Electricity has come to play such a key role that it has assumed an importance far above anything that can be left to the competitive process in the minds of many. As demonstrated in Chicago, it apparently now is considered to be a guaranteed right. To listen to critics of the utility, CECo is guilty of usurping that right and should be punished.

We aren't in a position to argue that CECo is above blame in the outages. Nor would we argue that CECo did all it could to alleviate the *inconveniences* of the blackouts or to provide as much information to customers, community leaders or the media as it might have. Assignment of fault is neither essential nor germain. In light of the spirit of the time and the mood of CECo's affected customers on the West Side, many Chicagoans simply believe they are entitled to electricity, like a God-granted *right*. Under these conditions virtually no outage would be tolerable.

Such an attitude, as we all know, isn't reasonable. It nevertheless exists. It is real. The years of stressing—in personal contacts, advertising and educational/informational programs—that electricity is vital and all-pervasive have paid off, but not quite as utilities had hoped. Spread of such attitudes could lead to real long-term problems for the industry.

Robert A. Lincicome, EL&P Editor-in-Chief

Independence at what cost?

Kansas Gas & Electric is fighting Kansas City Gas & Electric's unsolicited tender offer with both barrels. Pinnacle West Capital Corp. (Arizona Public Service Co.) has turned away four PacifiCorp offers.

Efficiency is an obvious reason cited for most utility combinations. We've heard the argument before in previous merger coverages (p. 1). During merger talks, utilities need to look out for their own interests. But executives should exercise caution that—consciously or unconsciously—job security, doesn't become too high a priority. We would hope that utility executives' decision-making is soundly grounded in what's best for customers, employees, communities and shareholders in these increasingly competitive times. The most difficult decision any manager makes is one that's personally risky, but professionally sound.

Mark T. Hoske, EL&P News Editor

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LETTERS

Clean air options

Your June issue contains a table on page 19, showing "Technologies to Meet Acid Rain Reduction Requirements," in which the Atmospheric Fluidized Bed Combustion (AFBC) technology listing is incorrect.

On the table, under the the Combustion-Stage Technology heading, the values for Atmospheric Fluidized-Bed Combustion (AFBC) should be: Removal Efficiency: SO_2—90-95%, NO_x—70+%; Status—Available.

The process would use ammonia $DeNO_x$ to get below 0.1 lb/mm Btu.

Christina Burtchaell
Communications Manager
PyroPower Corp.

More clean air options

I read your Industry News section on Clean Air options in the June *EL&P* issue. There are several clarifications that should be made to your readers for their evaluation of compliance technologies. These may become critical based on how the final bill addresses NO_x reduction. In order to accomplish this, Table I should have shown sorbent injection subcategorized into calcium-based and sodium-based technologies for the following reasons.

1. Sodium-based full-scale demonstrations now have shown SO_2 removals up to 90% with baghouses, and over 70% with electrostatic precipitators (ESPs). All demonstrations were completed at sorbent utilizations over 85% without humidification or ESP modifications.
2. All sodium demonstrations showed simultaneous NO_x reductions between 10% and 40%. Table I showed 0% (I assume for calcium-based technologies).
3. There have been five successful full-scale commercial demonstrations completed over the last three years. Public Service Company of Colorado stated at the recent EPRI/EPA SO_2 Control Symposium that it is commercially operating the first utility sodium-sorbent-injection system to meet agreed-upon SO_2 emission reductions. Another sodium sorbent system recently met performance warranties for 80% SO_2 removal on a baghouse at a coke calcining facility. Dry sorbent-injection systems using sodium bicarbonate now carry performance warranties. These facts qualify the technology as "Available" rather than "Commercial Demo" shown in Table I.

All three of these points become critical if utilities affected by Phase I have to meet SO_x and NO_x compliance within a short time-frame as written in the Senate bill. Low capital-cost technologies, such as dry sorbent-injection with sodium bicarbonate, are available, can be installed in under one year, can take advantage of two-for-one bonus allowances and earn simultaneous NO_x credits. Also, sodium sulfate, the primary by-product, sells for $60-$110/ton.

In Table III, NaTec should be NaTec Resources (as of October 1989) and should be listed under "Post Combustion Technology," rather than "Fuel/Boiler Additives."

Eric Darmstaedter
Natec Resources
Dallas, TX

Power conditioning

What do you do when the AC zaps your PC? The first thing, of course, is call a computer repairman—probably one at the store where you bought the machine—to find out what's wrong. Then you pray the problem is minor.

If you're lucky, the repairman can put your personal computer back in working order for only the cost of the service call; say two or three hundred dollars. But if you're unlucky, as I was, the tab can run to a thousand dollars or more.

In my case, the damage was close to two thousand dollars, about half the original cost of the machine. The circuit boards in my PC were fried when lightning struck a power line near my home during a thunderstorm. To make matters worse, the repair cost was not covered by insurance.

But wait. That's only half the problem. Your woes are just beginning. You now have to protect your PC so the same thing won't happen again.

This is where the frustration really begins: Try to find a retail clerk who can explain the ins and outs of how to protect a PC against lightning-induced voltage surges, power transients, spikes (overvoltage) and other things most people never heard of.

The computer repairman who made my machine work again told me that I should cover my investment with surge protection.

"What kind of protection?" I asked.

"Surge protection," he said. "It's also called power conditioning. You can buy surge suppressors at most department stores, home stores and electronics shops, but you'll probably have to pay an electrician to install a lightning arrestor."

Buying surge suppressors seemed simple enough, so I headed off to the nearest home supply discount house.

"Surge suppressors? Sure," said the tall, enthusiastic young saleswoman. "Follow me. If you had asked me a week ago, I wouldn't have known what you were talking about. Now, I know all about 'em." She led me to an aisle where an array of products, in brightly colored packaging, dangled from metal display rods.

There were varied sizes, shapes and number of outlets. Some of the printed information on the packaging said the device inside would suppress "voltage surges" in five nanoseconds. Other packages proclaimed their devices not only would suppress surges, they also would "filter noise and radio interference." And they would do it in less than one nanosecond. Others mentioned time in milliseconds; still others, microseconds.

"This is very confusing," I said to the salesperson.

"What are you looking for?" she asked.

I explained.

"How many computers do you have?" she asked.

"Just one."

"Well, then, this is all you need," she said, handing me a small (2x2x1.5 inch) single-outlet, plug-in surge suppressor with a price tag of $3.95.

"Are you sure I don't need one of these bigger suppressors?" I asked, pointing to some of the more expensive, multiple-outlet devices.

"Why?" she asked. "You only got one computer, right?" This is all you need, one protector."

Somehow, I did not feel comfortable that this person was a surge-suppression expert.

I hedged, stating, "I have to talk with my wife before making a decision. We may want to protect our microwave and television set, too. I'll have to come back. Thank you for your time."

I left, even more confused than when I went in.

Visits to five more stores—another home supply outlet, two electronics

Continued on page 25

Arizona PS returns all 3 Palo Verde reactors to service; Unit 3 trips

PHOENIX—All three Palo Verde units operated simultaneously on July 19 for the first time since March 1989.

Palo Verde Unit 2 returned to service following a five-month refueling outage. Unit 3 was down briefly in August.

The units are rated 1270 MW each.

Arizona Public Service Co. operates the units and owns them with Salt River Project, Southern California Edison, El Paso Electric, Public Service of New Mexico, the Southern California Public Power Authority and the Los Angeles Dept. of Water and Power.

Extra maintenance performed

While Unit 2 was down for refueling, plant operators took the opportunity to perform maintenance work on reactor coolant pumps, valves, control-element drive mechanisms, and electrical systems. Steam generators were inspected and repaired and the overall maintenance backlog was reduced.

Don Andrews, of Palo Verde Communications, reported that Unit 3 was shut down Aug. 5-7. A failure in the electronic control-rod circuitry caused one rod to fall into the reactor 4.5 inches (out of 12 ft), he explained.

All three units are scheduled to operate without interruption for the rest of the year.

Correction notice

BARRINGTON, IL—United Illuminating Co. notified *EL&P* that an error was made when UI reported its system heat rate for the Top 100 Operating Performance (*EL&P*, Aug., p.28). The correct heat rate for the utility in 1989 was 9940 Btu/kWh, which moves UI to No. 8 in Table 6—a spot it then shares with Detroit Edison Co. Commonwealth Energy System, with the best heat rate, therefore becomes No. 1 in the listing.

from page 1

Hostile takeover...

ting into the electric utility industry ever deeper.

In the statement issued recommending rejection of the offer, KG&E directors said the many conditions that went with the offer were also a concern.

KCP&L conditioned the offer on a number of factors including:

- Receiving at least 90 percent of common and preferred shares.
- Being able to follow the "short-form" of merger provisions according to Kansas and Missouri law, and comply with other state laws.
- Receiving regulatory approvals.
- Obtaining sufficient financing to purchase tendered shares and pay for related merger expenses.

A July 23 letter from A. Drue Jennings, president and CEO of KCP&L, told Wilson K. Cadman, chairman and president of KG&E that "The logic behind the offer is quite simple: We believe it offers substantial advantages to all constituencies served by both utilities.

"Due to anticipated cost savings and reduced capital expenditures [that] will result from the combination, KCP&L is committed to freezing rates for all of the KG&E and KCP&L retail and wholesale sales for resale customers through Jan. 1, 1993." Jennings said the savings will come, in large part, from a delay in building new generating capacity for KCP&L and using KG&E capacity more efficiently. KCP&L's capacity reserve is about 15 percent, compared to KG&E's 34 percent.

"We estimate the combined company's cumulative revenue requirements during the first five years after the merger would be at least $85 million less" than they would be without the merger, Jennings explained.

KCP&L said it does not anticipate any layoffs, or reductions in salary or benefits as a result of the merger, Jennings added.

Company statistical comparison

KCP&L, with 2,800 employees, serves 409,000 electric customers located in more than 4700 square miles in Kansas and Missouri. Based in Kansas City, MO, that metro area accounts for 95 percent of KCP&L business. Net income in 1989 was $108.6 million, with sales in excess of 10.2-billion kWh. Generating facilities total 3048 MW.

KG&E, with 1,330 employees, serves 254,771 electric customers over 8100 square miles of Kansas. Based in Wichita, that city accounts for 60 percent of its revenues. Net income in 1989 was $47.5 million on sales of 8.9-billion kWh. Active generating facilities total 2434 MW.

Recent merger activities

Other major merger activities include the following.

- Northeast Utilities Co. awaits FERC approval for acquiring Public Service Co. of New Hampshire for $2.3 billion as part the PSNH bankruptcy reorganization. PSNH filed for Chapter 11 bankruptcy protection in January 1988.
- San Diego Gas & Electric Co. dropped merger plans with Tucson Electric Power Co. in November 1988, then agreed to merge with SCEcorp. That merger is underway.
- Holding companies Iowa Resources Inc. (Iowa Power & Light Co.) and Midwest Energy Co. (Iowa Public Service Co.) revealed merger plans on March 16 and hope to receive approvals to complete their merger by the end of the year.
- Pinnacle West Capital Corp.—owner of Arizona Public Service Co.—turned down four merger offers from PacifiCorp, a company that completed a merger with Utah Power & Light Co. on Jan. 9, 1989.

For the past 20 years, one company has set the standard around the world in full scope power plant control room simulators:

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S3 TECHNOLOGIES

Behind our new name, S3 Technologies, stands the same commitment to engineering innovation, leading-edge research and service excellence that have helped us achieve and maintain our #1 position throughout the world.

Now S3 Technologies reaches out to serve even more of the world's nuclear power plant industry. In a joint venture with NPO Engergia of the Soviet Union, we have created a new subsidiary called General Energy Technologies to serve Soviet-design nuclear power plants.

GENERAL ENERGY TECHNOLOGIES

This new venture will provide the most advanced simulation technology available to nuclear power plants in the Soviet Union, Eastern Europe and other nations.

But most importantly, this endeavor makes great strides in enhancing world safety by utilizing GET's experienced personnel and training expertise.

Our new name and new venture promise an exciting future for our company, our industry, and our customers worldwide.

S3 TECHNOLOGIES

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